

(f) *Authority of appropriate TTB officer.* Notwithstanding the other paragraphs of this section, the appropriate TTB officer may, when such officer deems it advisable, take charge of, and assume responsibility for, any real estate to which this section is applicable. In such case, such officer will notify in writing the appropriate TTB officer from whom he or she is taking charge and assuming responsibility. Also, in any case where a single parcel of real estate is situated in an area in which more than one officer has jurisdiction, the appropriate TTB officer may designate in writing one officer who is to be in charge of, and responsible for, the entire property.

(26 U.S.C. 7506)

[T.D. ATF-301, 55 FR 47627, Nov. 14, 1990, as amended by T.D. ATF-450, 66 FR 29027, May 29, 2001]

#### § 70.184 Disposition of perishable goods.

(a) *Appraisal of certain seized property.* If the appropriate TTB officer determines that any property seized by levy is liable to perish or become greatly reduced in price or value by keeping, or that such property cannot be kept without great expense, the appropriate TTB officer shall appraise the value of such property and return it to the owner if the owner complies with the conditions prescribed in paragraph (b) of this section or, if the owner does not comply with such conditions, dispose of the property in accordance with paragraph (c) of this section.

(b) *Return to owner.* If the owner of the property can be readily found, the appropriate TTB officer shall give the owner written notice of the appropriate TTB officer's determination of the appraised value of the property. However, if the appropriate TTB officer determines that the circumstances require immediate action, the appropriate TTB officer may give the owner an oral notice of the determination of the appraised value of the property, which notice shall be confirmed in writing prior to sale. The property shall be returned to the owner if, within the time specified in the notice, the owner:

(1) Pays to the appropriate TTB officer an amount equal to the appraised value, or

(2) Gives an acceptable bond as prescribed by 26 U.S.C. 7101 and § 70.281 of this part. Such bond shall be in an amount not less than the appraised value of the property and shall be conditioned upon the payment of such amount at such time as the appropriate TTB officer determines to be appropriate in the circumstances.

(c) *Immediate sale.* If the owner does not pay the amount of the appraised value of the seized property within the time specified in the notice, or furnish bond as provided in paragraph (b) of this section within such time, the appropriate TTB officer shall as soon as practicable make public sale of the property in accordance with the following terms and conditions:

(1) *Notice of sale.* If the owner can readily be found, a notice shall be given to the owner. A notice of sale also shall be posted in two public places in the county which the property is to be sold. The notice shall specify the time and place of sale, the property to be sold, and the manner and conditions of sale. The appropriate TTB officer may give such other notice and in such other manner as the appropriate TTB officer deems advisable under the circumstances.

(2) *Sale.* The property shall be sold at public auction to the higher bidder.

(3) *Terms.* The purchase price shall be paid in full upon acceptance of the highest bid. The payment shall be made by cash, or by a certified, cashier's or treasurer's check drawn on any bank or trust company incorporated under the laws of the United States or under the laws of any State, Territory, or possession of the United States, or by a U.S. postal, bank, express, or telegraph money order.

(26 U.S.C. 6336)

#### § 70.185 Certificate of sale; deed of real property.

(a) *Certificate of sale.* In the case of property sold as provided in 26 U.S.C. 6335 (relating to sale of seized property), the appropriate TTB officer shall give to the purchaser a certificate of sale upon payment in full of the purchase price. A certificate of sale of real property shall set forth the real property purchased, for whose taxes the

same was sold, the name of the purchaser, and the price paid therefor.

(b) *Deed to real property.* In case of any real property sold as provided in 26 U.S.C. 6335 and not redeemed in the manner and within the time prescribed in 26 U.S.C. 6337, the appropriate TTB officer shall execute (in accordance with the laws of the State in which the real property is situated pertaining to sales of real property under execution) to the purchaser of such real property at the sale or his assigns, upon surrender of the certificate of sale, a deed of the real property so purchased, reciting the facts set forth in the certificate.

(c) *Deed to real property purchased by the United States.* If real property is declared purchased by the United States at a sale pursuant to 26 U.S.C. 6335, the appropriate TTB officer shall at the proper time execute a deed therefor and shall, without delay, cause the deed to be duly recorded in the proper registry of deeds.

(26 U.S.C. 6338)

**§ 70.186 Legal effect of certificate of sale of personal property and deed of real property.**

(a) *Certificate of sale of property other than real property.* In all cases of sale pursuant to 26 U.S.C. 6335 of property (other than real property), the certificate of such sale.

(1) *As evidence.* Shall be prima facie evidence of the right of the officer to make such sale, and conclusive evidence of the regularity of the officer's proceedings in making the sale; and

(2) *As conveyance.* Shall transfer to the purchaser all right, title, and interest of the party delinquent in and to the property sold; and

(3) *As authority for transfer of corporate stock.* If such property consists of corporate stocks, shall be notice, when received, to any corporation, company, or association of such transfer, and shall be authority to such corporation, company, or association to record the transfer on its books and records in the same manner as if the stocks were transferred or assigned by the party holding the stock certificate, in lieu of any original or prior certificate, which shall be void, whether canceled or not; and

(4) *As receipts.* If the subject of sale is securities or other evidence of debt, shall be a good and valid receipt to the person holding the certificate of sale as against any person holding or claiming to hold possession of such securities or other evidences of debt; and

(5) *As authority for transfer of title to motor vehicle.* If such property consists of a motor vehicle, shall be notice, when received, to any public officer charged with the registration of title to motor vehicles, of such transfer and shall be authority to such officer to record the transfer on his books and records in the same manner as if the certificate of title to such motor vehicle were transferred or assigned by the party holding the certificate of title, in lieu of any original or prior certificate, which shall be null and void, whether canceled or not.

(b) *Deed to real property.* In the case of the sale of real property pursuant to 26 U.S.C. 6335:

(1) *Deed as evidence.* The deed of sale given pursuant to 26 U.S.C. 6338 shall be prima facie evidence of the facts therein stated; and

(2) *Deed as conveyance of title.* If the proceedings of the appropriate TTB officer as set forth have been substantially in accordance with the provisions of law, such deed shall be considered and operate as a conveyance of all the right, title, and interest the party delinquent had in and to the real property thus sold at the time the lien of the United States attached thereto.

(c) *Effect of junior encumbrances.* A certificate of sale of personal property given or a deed to real property executed pursuant to 26 U.S.C. 6338 discharges the property from all liens, encumbrances, and titles over which the lien of the United States, with respect to which the levy was made, has priority. For example, a mortgage on real property executed after a notice of a Federal tax lien has been filed is extinguished when the appropriate TTB officer executes a deed to the real property to a purchaser thereof at a sale pursuant to 26 U.S.C. 6335 following the seizure of the property by the United States. The proceeds of such a sale are distributed in accordance with priority of the liens, encumbrances, or titles. See 26 U.S.C. 6342(b) and 7426(a)(2) and